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1 2 3 4 5 6 7 8	KAMALA D. HARRIS Attorney General of California ARTHUR D. TAGGART Supervising Deputy Attorney General ELENA L. ALMANZO Deputy Attorney General State Bar No. 131058 1300 I Street, Suite 125 P.O. Box 944255 Sacramento, CA 94244-2550 Telephone: (916) 322-5524 Facsimile: (916) 327-8643 Attorneys for Complainant  BEFORE THE					
9 10 11	DEPARTMENT OF CONSUMER AFFAIRS FOR THE BUREAU OF ELECTRONIC AND APPLIANCE REPAIR, HOME FURNISHING AND THERMAL INSULATION STATE OF CALIFORNIA					
12	In the Matter of the Statement of Issues Against: Case No. AN 2011-103					
<ul><li>13</li><li>14</li><li>15</li></ul>	HECTOR PALACIOS, aka HECTOR GALVEZ PALACIOS, dba IDOCTOR REPAIRS 4940 N. Cedar Avenue Fresno, CA 93726  STATEMENT OF ISSUES					
16	Respondent.					
17 18	Complainant alleges:					
19	PARTIES					
20	1. Joanne Mikami ("Complainant") brings this Statement of Issues solely in her official					
21	capacity as the Operations Manager of the Bureau of Electronic and Appliance Repair, Home					
22	Furnishings and Thermal Insulation ("Bureau"), Department of Consumer Affairs.					
23	2. On or about January 18, 2011, the Bureau received an application for an electronic					
24	service dealer registration from Hector Palacios, also known as Hector Galvez Palacios					
25	("Respondent"), doing business as IDoctor Repairs. Respondent certified under penalty of					
26	perjury that all statements, answers, and representations in the application were true and correct.					
27	The Bureau denied the application on November 28, 2011.					
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Business and Professions Code ("Code") section 9831 states, in pertinent part, that

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electronic appliance repair dealer if the applicant has committed acts or crimes constituting grounds for denial of licensure under section 480 of that code.

4. Code section 9841 states, in pertinent part:

(a) The director may deny suspend, revoke, or place on probation the

the Director (Director of Consumer Affairs) shall refuse to validate the registration of an

- (a) The director may deny, suspend, revoke, or place on probation the registration of a service dealer for any of the following acts or omissions done by himself or herself or any employee, partner, officer, or member of the service dealer and related to the conduct of his or her business:
- (1) Making or authorizing any statement or advertisement that is untrue or misleading, and that is known, or which by the exercise of reasonable care should be known, to be untrue or misleading.
- (7) Conviction of a crime that has a substantial relationship to the qualifications, functions and duties of a registrant under this chapter, in which event the record of the conviction shall be conclusive evidence thereof . . .
- 5. Code section 480 states, in pertinent part:
- (a) A board may deny a license regulated by this code on the grounds that the applicant has one of the following:
- (1) Been convicted of a crime. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action that a board is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal, or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code.
- (2) Done any act involving dishonesty, fraud or deceit with the intent to substantially benefit himself or herself or another, or substantially injure another.
- (3)(A) Done any act that if done by a licentiate of the business or profession in question, would be grounds for suspension or revocation of license.
- (B) The board may deny a license pursuant to this subdivision only if the crime or act is substantially related to the qualifications, functions, or duties of the business or profession for which application is made.

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- (c) A board may deny a license regulated by this code on the ground that the applicant knowingly made a false statement of fact required to be revealed in the application for the license.
- 6. California Code of Regulations, title 16, section 2767 states, in pertinent part:

For the purposes of denial, suspension, or revocation of the registration of a repair service dealer pursuant to Division 1.5 (commencing with Section 475) of the Business and Professions Code, a crime or act shall be considered to be substantially related to the qualifications, functions or duties of a service dealer if to a substantial degree it evidences present or potential unfitness of a service dealer to perform the functions authorized by his registration in a manner consistent with the public health, safety, or welfare . . .

### FIRST CAUSE FOR DENIAL

# (Criminal Convictions)

- 7. Respondent's application is subject to denial pursuant to Code sections 9841, subdivision (a)(7), and 480, subdivisions (a)(1) and (a)(3)(A), in that Respondent was convicted of crimes which are substantially related to the qualifications, functions and duties of an electronic service dealer as follows:
- a. On or about July 29, 2003, in the criminal proceeding titled *People v. Hector Galves Palacios* (Super. Ct. Tulare County, 2003, Case No. VCF112686-03), Respondent pled guilty to violating Health and Safety Code sections 11377, subdivision (a) (possession of a controlled substance), a felony, and 11364 (possession of a smoking device), a misdemeanor. The circumstances of the crimes are as follows: On or about July 13, 2003, Respondent possessed the controlled substance methamphetamine as well as a smoking device.
- b. On or about March 16, 2009, in the criminal proceeding titled *People v. Hector Galves Palacios* (Super. Ct. Fresno County, 2009, Case No. M08920196), Respondent pled nolo contendere to violating Vehicle Code section 23152, subdivision (b) (driving with a .08% or higher blood alcohol level), a misdemeanor. The imposition of Respondent's sentence was suspended and Respondent was placed on probation for 3 years on terms and conditions, including that Respondent obey all laws. The circumstances of the crime are as follows: On or about May 24, 2008, Respondent drove a vehicle while having a blood alcohol level of 0.14%.
- c. On or about March 29, 2010, in the criminal proceeding titled *People v. Hector Galves Palacios* (Super. Ct. Fresno County, 2010, Case No. M10000363), Respondent pled nolo

contendere to violating Penal Code section 647, subdivision (f) (public intoxication), a misdemeanor. The imposition of Respondent's sentence was suspended and Respondent was placed on probation for 3 years on terms and conditions. The circumstances of the crime are as follows: On or about October 17, 2009, Respondent was unlawfully in a public place while under the influence of intoxicating liquor, a drug, a controlled substance, and/or toluene in such a condition that he was unable to exercise care for his own safety and the safety of others and interfered with, obstructed, and prevented the free use of a street, sidewalk, and other public way. The incident occurred while Respondent was on probation for his conviction of March 16, 2009.

### SECOND CAUSE FOR DENIAL

### (False or Misleading Statements)

- 8. On or about January 18, 2011, Respondent submitted an application for electronic service dealer registration to the Bureau, as set forth in paragraph 2 above. Respondent indicated in his response to Item 10 on the application that he had been convicted of a felony or misdemeanor. Question 13 on the application stated, "If you answered YES to having ever been convicted of a felony or misdemeanor in Items 10 or 11, give the particulars of each, including penal code numbers or criminal case numbers".
- 9. Respondent's application is subject to denial pursuant to Code sections 9841, subdivision (a)(1), and 480, subdivision (a)(3)(A), in that Respondent made statements which he knew, or in the exercise of reasonable care should have known, to be untrue or misleading, as follows: Respondent certified under penalty of perjury on his application that he had been convicted of possession of a controlled substance in 2003 and DUI (driving under the influence) in 2008, but failed to disclose his March 29, 2010, conviction for public intoxication, set forth in subparagraph 7 (c) above. Further, Respondent concealed the fact that he had also been convicted of possession of a smoking device in 2003, as set forth in subparagraph 7 (a) above.

#### THIRD CAUSE FOR DENIAL

#### (Dishonest Acts)

10. Respondent's application is subject to denial pursuant to Code section 480, subdivision (a)(2), in that Respondent committed acts involving dishonesty, fraud or deceit with

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the intent to substantially benefit himself or another, or substantially injure another, as set forth in paragraph 9 above.

# FOURTH CAUSE FOR DENIAL

# (False Statement in Respondent's Application for Registration)

11. Respondent's application is subject to denial pursuant to Code section 480, subdivision (c), in that Respondent knowingly made false statements of fact required to be revealed in his application for registration as an electronic service dealer, as set forth in paragraph 9 above.

# **PRAYER**

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Director of Consumer Affairs issue a decision:

- 1. Denying the application of Hector Palacios, also known as Hector Galvez Palacios, doing business as IDoctor Repairs, for an electronic service dealer registration;
  - 2. Taking such other and further action as deemed necessary and proper.

DATED:	4/5/12	goanne Duko	し
		TOWNIE MIK AMI	

JOANNE MIKAMI
Operations Manager

Bureau of Electronic and Appliance Repair, Home

Furnishing And Thermal Insulation

Department of Consumer Affairs

State of California Complainant

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